UA’s Analysis of UNAC’s White Paper on UA finances

April 18, 2022
Abel Bult-Ito wrote:

- “The category of institutional support which funds administration – about **100 highly paid administrators**, their staffs, and other administrative functions – has actually increased during this time period by over **15%** (approximately $13m)”

- This “shows that administration is more important than instruction and student support.”

- “**Administration is allocating more funds to themselves**”

- To BOR: “I hope you will agree with me that the analysis demonstrates some very concerning revelations about the university's priorities, which appear to be **administration**”

Abel Bult-Ito said last week:

- **In FY21, the university reached its highest level of administrative support.**
• Tony Rickard said in negotiations:
  • “Move funding away from administration, where it has apparently been for last 10 years.”

• UNAC analysis and words
  • Focus on “administration”
  • Paint a dark picture about the values of UA

• But...
Refuting UNAC’s Analysis & Interpretation

- UNAC distorted several things:
  - There is no Operating Expense Category called “administration support.”
  - It is called “Institutional Support”
  - “Institutional Support” is not the same as
    - “support of administration” or
    - “support for administrators”
  - built from several components that can be disaggregated

- The next slides will show what happens when you disaggregate institutional support.
UA’s Disaggregation of “Institutional Support”

Change 2011-21 ($M)

- Admin Personnel: -4.6
- Pandemic: 9
- Insurance: 4.1
- IT: 3.6
- Marketing/Outreach/Philanthropy: 1.9
- Claims/legal: 0.7
- UNAC's "Administration Support": 13.2

Total: 13.1
Refuting UNAC’s Analysis & Interpretation

Abel Bult-Ito:

- Misleading claim:
  - “The category of institutional support which funds administration – about 100 highly paid administrators, their staffs, and other administrative functions – has actually increased during this time period by over 15%” (approximately $13m)

- Omitted fact:
  - $13.1M went to insurance & pandemic
    - Insurance is not controllable, doesn’t support administrators
    - Pandemic funds
      - Supported students, faculty, and all employees
      - New money from the fed. gov’t, not internal funds
      - Reported to UNAC for its RFI (August 2021)

- Misleading claim:
  - Increase in “Admin Support” “shows that administration is more important than instruction and student support.”

- Omitted fact:
  - The university cannot operate w/o Institutional Support for insurance, IT, etc.

- Misleading claim:
  - “Administration is allocating more funds to themselves”

- Omitted fact:
  - Administration is allocating less to admin personnel.
  - The 24% drop in executive administrative positions matches the 23.7% drop in Instructional and Student support
Refuting UNAC’s Analysis & Interpretation

UA’s Disaggregation of “Institutional Support”

• Tony Rickard
  • Misleading claim:
    • “Move funding away from administration, where it has apparently been for last 10 years.”
  • Omitted fact:
    • UA **has** moved away from administration
      • 24% fewer administrative positions
      • Furlough of administrators
Refuting UNAC's Analysis & Interpretation

Abel Bult-Ito said last week:
- "In FY21, UA reached its highest level of administrative support."

Omitted fact about Institutional Support:
- Spending dropped about 18% from FY17-FY20
- The financial impact of the pandemic on protecting employees and students was obvious but left out of the white paper

UA's Disaggregation of "Institutional Support"